

## **Funding a Series of Acquisitions**

### **Case Study**

#### **The Client**

Etransmedia Technology, Inc. is a rapidly growing health care information solution provider. Their products and services bring efficiency and profitability to physician practices throughout the U.S.

#### **The Requirement**

The Company began acquiring companies as part of its growth strategy. As the size of their acquisitions grew, they needed to bring in outside capital to finance the acquisitions. An equity investor would have massively diluted the owners. In addition, the acquisitions were all profitable and their cash flow could be used to service loan payments. The Company needed a long term funding solution that would provide financing for multiple acquisitions.

#### **The Solution**

Attract Capital helped Etransmedia locate a mezzanine lender who funded their multiple acquisitions with an \$8 million mezzanine loan. Through this funding, the company was able to make six acquisitions.

#### **The Results**

Through bringing in a mezzanine lender, Etransmedia expanded their capital base and was able to grow at a rapid rate. As a result of the acquisitions:

1. Revenue has grown 12-fold from the pre-acquisition level.
2. Profit has grown 16 -old from the pre-acquisition level.

Though making successful acquisitions, higher profits have been generated which have been invested in new products. Through a successful acquisition strategy, the Company has accelerated its organic growth and become a market leader.

#### **How Attract Capital can help you?**

Mezzanine lending is the essential acquisition tool that can translate into huge value gains for a business owner. Attract Capital specializes in bringing Mezzanine solutions to mid-sized growth clients. We have a national lender platform and structuring expertise that can transform your funding strategy. Many of our clients are businesses that lack cash equity but have intangible equity value in their business. When they seek to finance an acquisition, investment bankers often tell them that a large equity raise with a large share dilution is required. We outright reject this approach. Our lender platform coupled with expertise in structuring and presenting allows our clients to access

non-dilutive funding from the Mezzanine market, without a private equity investor.

[Call us](#) today to speak to our experts and find your right Mezzanine Financing Solution.